

CHAPTER VII: CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

Article XVIII

The Signatory States agree to establish the Central American Bank for Economic Integration which shall be a juridical person. The Bank shall act as an instrument for the financing and promotion of a regionally balanced, integrated economic growth. To that end they shall sign the agreement constituting the Bank, which shall remain open for the signature or accession of any other Central American State which may wish to become a member of the Bank.

It is, however, established that members of the Bank may not obtain guaranties or loans from the Bank unless they have previously deposited their instruments of ratification of the following international agreements:

The present Treaty;

Multilateral Treaty on Free Trade and Central American Economic Integration, signed on 10 June 1958;

Agreement on the Regimen for Central American Integration Industries, signed on 10 July 1958; and

Central American Agreement on the Equalization of Import Duties and Charges, signed on 1 September 1959, and its Protocol signed on the same day as the present Treaty.

(United Nations, Treaty series, Vo. 454, NO. 6542).

CHAPTER VIII: TAX INCENTIVES TO INDUSTRIAL DEVELOPMENT

Article XIX

The Contracting States, with a view to establishing uniform tax incentives to industrial development, agree to ensure as soon as possible a reasonable equalization of the relevant laws and regulations in force. To that end they shall, within a period of six months from the date of entry into force of the present Treaty, sign a special protocol specifying the amount and type of exceptions, the time limits thereof, the conditions under which they shall be granted, the systems of industrial classification and the principles and procedures governing their application. The Executive council shall be responsible for co-ordinating the application of the tax incentives of Industrial development.

CHAPTER IX: ORGANS

Article XX

The Central American Economic Council, composed of the Ministers of Economic Affairs of the several Contracting Parties, is hereby established for the purpose of integrating the Central American economies and Co-ordinating the economic policy of the Contracting States.

The Central American Economic Council shall meet as often as required or at the request of any of the Contracting Parties. It shall examine the work of the Executive Council and adopt such resolutions as it may deem appropriate. The Central American Economic Council shall be the organ responsible for facilitating implementation of the resolutions on economic integration